

STATE OF NORTH CAROLINA

WAKE COUNTY

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION
16 CVS 007732

2017 OCT -9 A 9 02

STATE OF NORTH CAROLINA, ex rel.)
JOSH STEIN, Attorney General,)

Plaintiff,)

v.)

CRAY INVESTMENT CORPORATION 1)
INC., d/b/a VICTORIAN ROSE BRIDALS)
and LA BELLE MARIEE BRIDALS and)
TUXEDOS; BEVERLY CRAY individually)
and in her capacity as owner and manager of)
CRAY INVESTMENT CORPORATION;)
and KATHY PURSER individually and in)
her capacity as owner and manager of)
CRAY INVESTMENT CORPORATION;)

Defendants.)

CONSENT JUDGMENT
(Cray Investment Corporation 1 Inc.
and Beverly Cray)

THIS CAUSE came on to be heard and was heard before the undersigned Wake County Superior Court Judge for entry of a Consent Judgment between plaintiff, State of North Carolina, by and through its Attorney General, and defendants Beverly Cray ("defendant Cray") and Cray Investment Corporation 1 Inc. d/b/a Victorian Rose Bridals and La Belle Mariee Bridals and Tuxedos ("defendant La Belle Mariee"), represented by attorney Michael Perry. The Court finds the parties have resolved the matters in controversy between them and have agreed to the entry of this Consent Judgment ("Consent Judgment") by the Court without trial or adjudication of any issue of fact or law, and without finding or admission of wrongdoing or liability of any kind.

I. FINDINGS OF FACT

1. Plaintiff State of North Carolina is acting through its Attorney General, Josh Stein, pursuant to authority granted in Chapters 75 and 114 of the North Carolina General Statutes to protect the consuming public from unlawful business practices.

2. At all times relevant to this action, defendant La Belle Mariee operated a business located in Wake County, North Carolina selling bridal and formal gowns, tuxedos, and related accessories.

3. Defendant Cray was the owner of defendant La Belle Mariee.

4. On June 16, 2016, plaintiff filed its Complaint.

5. On June 21, 2016, the Complaint was properly served on defendant Cray.

6. On June 29, 2016, the Complaint was properly served on defendant La Belle Mariee.

7. The State alleges defendants Cray and La Belle Mariee violated the Unfair and Deceptive Trade Practices Act, N.C. Gen. Stat. § 75-1.1, *et seq.*, by:

- a) Soliciting and requiring advance deposits and payments from consumers for dresses while possessing little or no intention or ability to deliver the dresses to consumers;
- b) Soliciting and requiring advance deposits and payments from consumers for dresses while giving consumers unrealistic estimated delivery dates when defendants should have known they could not deliver the dresses within that time-frame or had little or no intention of delivering the dresses;
- c) Failing to place consumer orders with dress designers within a reasonable period of time after the consumers ordered and paid either a deposit or in full for dresses;
- d) Failing to communicate with consumers regarding the opportunity to consent to a delay in shipping or to cancel the order and receive a prompt refund;
- e) Charging consumers an expedited delivery fee when defendants had little or no intention or ability to deliver the dresses within that time-frame;

- f) Failing to pay for the COD orders received from dress designers within a reasonable period of time after the consumer ordered and either paid a deposit or paid in full for the dress.

8. The State further alleges that the foregoing conduct by defendants Cray and La Belle Mariee was in or affecting commerce within the meaning of N.C. Gen. Stat. § 75-1.1 and had a substantial and negative impact thereon.

9. On August 24, 2016, defendants Cray and La Belle Mariee filed an Answer to the Complaint, denying all of the plaintiff's allegations above.

10. On July 27, 2015, defendant La Belle Mariee filed a Chapter 7 voluntary petition in the United States Bankruptcy Court for the Middle District of North Carolina, which was subsequently transferred to the Eastern District of North Carolina (Case No. 15-04137).

11. On October 5, 2015, the North Carolina Attorney General filed with the bankruptcy court a proof of claim against defendant La Belle Mariee for \$241,454.88, including a priority claim of \$46,454.88 for deposits paid by consumers.

12. On December 10, 2015, United States Bankruptcy Judge David M. Warren issued an Order granting North Carolina Attorney General's Consent Order for Relief from the Automatic Stay.

13. By entering into this Consent Judgment, the parties desire to resolve this controversy without further proceedings and agree to the entry of this Consent Judgment.

II. CONCLUSIONS OF LAW

14. This Court has jurisdiction over the parties and the subject matter of this action.

15. Entry of this Consent Judgment is just and proper and in the public interest.

16. Plaintiff's Complaint states a cause of action against defendants Cray and La Belle Mariee upon which relief may be granted, and the Court finds good and sufficient cause to adopt

this agreement of the parties and these findings of fact and conclusions of law as its determination of their respective rights and obligations and for entry of this Consent Judgment.

III. PERMANENT INJUNCTION

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED, with the consent of the parties and pursuant to N.C. Gen. Stat. § 75-14, that

17. Defendants Cray, La Belle Mariee, and their officers, agents, servants, employees, and any person acting under the actual direction or control of defendants Cray or La Belle Mariee, are hereby permanently restrained and enjoined from engaging in acts and practices prohibited by North Carolina's Unfair and Deceptive Trade Practices Act; or advertising, offering, soliciting, or entering into agreements with consumers in the State of North Carolina for the purpose of directly or indirectly selling, renting, or purchasing bridal and formal gowns, tuxedos, other types of formal wear, and related accessories.

IV. PAYMENT TO THE STATE

IT IS FURTHER ORDERED, ADJUDGED, AND DECREED, with the consent of the parties and pursuant to N.C. Gen. Stat. § 75-8, § 75-15.1 and § 75-15.2, that:

18. Defendant Cray shall pay the sum of \$11,000.00 to the Attorney General to be used for attorney's fees, investigative costs, consumer protection enforcement, other consumer protection or restitution purposes, and other purposes allowed by law, at the discretion of the Attorney General. Defendant Cray shall pay the amount set forth above via a cashier's check payable to the "North Carolina Department of Justice" and delivered within ten business days of entry of this Consent Judgment to "The North Carolina Department of Justice, Attention: Daniel Mosteller, 114 West Edenton St., Raleigh, NC 27603."

19. A judgment in the amount of \$241,454.88 is entered in favor of the Plaintiff State of North Carolina and against defendant La Belle Mariee. This judgment represents: 1) restitution for consumer deposits toward the purchase, lease, or rental of property or services for personal, family, or household use of \$46,454.88; and 2) a civil penalty of \$195,000 for violations of the Unfair and Deceptive Trade Practices Act. Plaintiff will not seek to enforce the monetary judgment against defendant La Belle Mariee unless authorized by the United States Bankruptcy Court for the Eastern District of North Carolina.

V. MISCELLANEOUS

20. Regulation of Other Conduct. Nothing in this Consent Judgment is intended to relieve defendants of their responsibility to comply with all applicable North Carolina laws.

21. Other State Governmental Entities. This Consent Judgment shall not bind any other offices, boards, commissions, or agencies of the State of North Carolina.

22. Retention of Jurisdiction. The Court retains jurisdiction over this action to take any further action deemed necessary to enforce this Consent Judgment, including imposition of penalties, and to award the State judgments for any costs, including attorney's fees, it incurs in the event of noncompliance by any of the defendants.

23. Release of Claims. This Consent Judgment shall fully resolve all legal claims and issues raised in the Complaint as to defendants Cray and La Belle Mariee only for their activities up to the date of this Consent Judgment. It is entered without prejudice to plaintiff's rights,

claims, or actions against defendant Kathy Purser aka Katheren Messenger ("defendant Purser"),
and all such rights, claims, or actions against defendant Purser are expressly reserved.

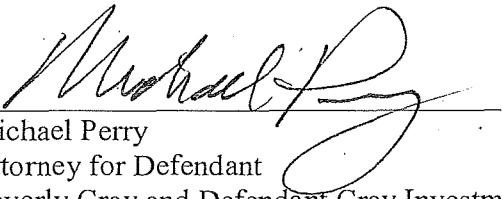
SO ORDERED, this 4th day of October, 2017.



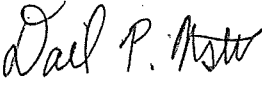
SUPERIOR COURT JUDGE

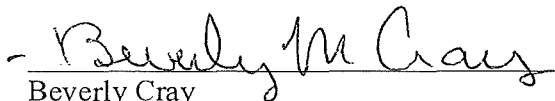
R. J. Gentry

The parties, by and through, their respective counsel, hereby consent to the terms and conditions of the Consent Judgment as set forth above, and consent to the entry thereof.


Michael Perry
Attorney for Defendant
Beverly Cray and Defendant Cray Investment
Corporation Inc.

STATE OF NORTH CAROLINA, ex rel.
JOSH STEIN, ATTORNEY GENERAL

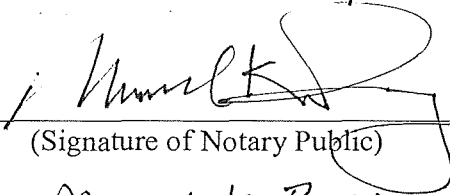

Daniel P. Mosteller
Special Deputy Attorney General


Beverly Cray

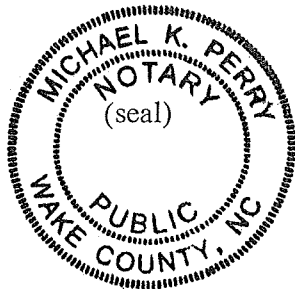
STATE OF NC

COUNTY OF Wake

Sworn to (or affirmed) and subscribed before me this the 19 day of September, 2017.


(Signature of Notary Public)
Michael K Perry
(Printed Name of Notary Public)

My commission expires: 11-13-18



STATE OF NORTH CAROLINA

IN THE GENERAL COURT OF JUSTICE
SUPERIOR COURT DIVISION

WAKE COUNTY

2017-07-09 A 9:02

16 CVS 007732

STATE OF NORTH CAROLINA, ex rel.
JOSH STEIN, Attorney General,

Plaintiff,

v.

CRAY INVESTMENT CORPORATION I
INC., d/b/a VICTORIAN ROSE BRIDALS
and LA BELLE MARIEE BRIDALS and
TUXEDOS; BEVERLY CRAY individually
and in her capacity as owner and manager of
CRAY INVESTMENT CORPORATION;
and KATHY PURSER individually and in
her capacity as owner and manager of
CRAY INVESTMENT CORPORATION;

Defendants.

**CONSENT JUDGMENT
(Defendant Kathy Purser)**

THIS CAUSE came on to be heard and was heard before the undersigned Wake County Superior Court Judge for entry of a Consent Judgment between plaintiff, State of North Carolina, by and through its Attorney General, and defendant Kathy Purser aka Katheren Messenger ("defendant Purser"), who appears *pro se*. The Court finds the parties have resolved the matters in controversy between them and have agreed to the entry of this Consent Judgment ("Consent Judgment") by the Court without trial or adjudication of any issue of fact or law, and without finding or admission of wrongdoing or liability of any kind.

I. FINDINGS OF FACT

1. Plaintiff State of North Carolina is acting through its Attorney General, Josh Stein, pursuant to authority granted in Chapters 75 and 114 of the North Carolina General Statutes to protect the consuming public from unlawful business practices.

2. At all times relevant to this action, defendant Cray Investment Corporation 1 Inc., aka Victorian Rose Bridals d/b/a/ La Belle Mariee Bridals and Tuxedos (“defendant La Belle Mariee”) operated a business located in Wake County, North Carolina selling bridal and formal gowns, tuxedos, and related accessories.

3. Defendant Purser managed and controlled the daily operations of defendant La Belle Mariee.

4. On June 16, 2016, plaintiff filed its Complaint.

5. On August 1, 2016, the Complaint was properly served on defendant Purser.

6. On September 23, 2016, default was entered against defendant Purser for failure to answer or otherwise respond to the Complaint.

7. The State alleges defendant Purser violated the Unfair and Deceptive Trade Practices Act, N.C. Gen. Stat. § 75-1.1, *et seq.*, by:

- a) Soliciting and requiring advance deposits and payments from consumers for dresses while possessing little or no intention or ability to deliver the dresses to consumers;
- b) Soliciting and requiring advance deposits and payments from consumers for dresses while giving consumers unrealistic estimated delivery dates when defendants should have known they could not deliver the dresses within that time-frame or had little or no intention of delivering the dresses;
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- e) Charging consumers an expedited delivery fee when defendants had little or no intention or ability to deliver the dresses within that time-frame;
- f) Failing to pay for the COD orders received from dress designers within a reasonable period of time after the consumer ordered and either paid a deposit or paid in full for the dress.

8. The State further alleges that the foregoing conduct by defendant Purser was in or affecting commerce within the meaning of N.C. Gen. Stat. § 75-1.1 and had a substantial and negative impact thereon.

9. On February 16, 2016, defendant Purser filed a Chapter 13 voluntary petition in the United States Bankruptcy Court Eastern District of Virginia (Case No. 16-70626).

10. By entering into this Consent Judgment, the parties desire to resolve this controversy without further proceedings and agree to the entry of this Consent Judgment.

11. Defendant Purser acknowledges that she has had sufficient opportunity to retain counsel to represent her in the negotiation and execution of this Consent Judgment but has chosen to represent herself. Defendant Purser further acknowledges that her consent hereto is voluntarily rendered.

II. CONCLUSIONS OF LAW

12. This Court has jurisdiction over the parties and the subject matter of this action.

13. Entry of this Consent Judgment is just and proper and in the public interest.

14. Plaintiff's Complaint states a cause of action against defendant Purser upon which relief may be granted, and the Court finds good and sufficient cause to adopt this agreement of the parties and these findings of fact and conclusions of law as its determination of their respective rights and obligations and for entry of this Consent Judgment.

III. PERMANENT INJUNCTION

IT IS THEREFORE ORDERED, ADJUDGED AND DECREED, with the consent of the parties and pursuant to N.C. Gen. Stat. § 75-14, that

15. Defendant Purser and her officers, agents, servants, employees, and attorneys, and any person acting under the actual direction or control of defendant Purser, are hereby

permanently restrained and enjoined from engaging in acts and practices prohibited by North Carolina's Unfair and Deceptive Trade Practices Act; or advertising, offering, soliciting, or entering into agreements with consumers in the State of North Carolina for the purpose of directly or indirectly selling, renting, or purchasing bridal and formal gowns, tuxedos, other types of formal wear, and related accessories.

IV. MISCELLANEOUS

16. Regulation of Other Conduct. Nothing in this Consent Judgment is intended to relieve defendant of her responsibility to comply with all applicable North Carolina laws.

17. Other State Governmental Entities. This Consent Judgment shall not bind any other offices, boards, commissions, or agencies of the State of North Carolina.

18. Retention of Jurisdiction. The Court retains jurisdiction over this action to take any further action deemed necessary to enforce this Consent Judgment, including imposition of penalties, and to award the State judgments for any costs, including attorney's fees, it incurs in the event of noncompliance by any of the defendant.

19. Release of Claims. This Consent Judgment shall fully resolve all legal claims and issues raised in the Complaint as to defendant Purser only for her activities up to the date of this Consent Judgment. It is entered without prejudice to plaintiff's rights, claims, or actions against

defendants Beverly Cray ("defendant Cray") and La Belle Mariee, and all such rights, claims, or actions against defendants Cray and La Belle Mariee are expressly reserved.

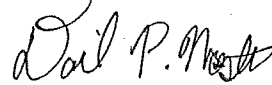
SO ORDERED, this 4th day of October, 2017.



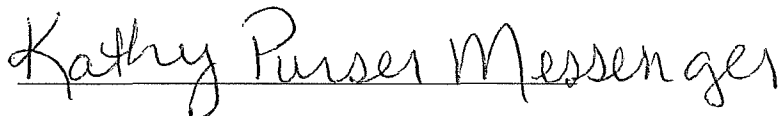
SUPERIOR COURT JUDGE

The parties, by and through, their respective counsel, hereby consent to the terms and conditions of the Consent Judgment as set forth above, and consent to the entry thereof.

STATE OF NORTH CAROLINA, ex rel.
JOSH STEIN, ATTORNEY GENERAL



Daniel P. Mosteller
Special Deputy Attorney General

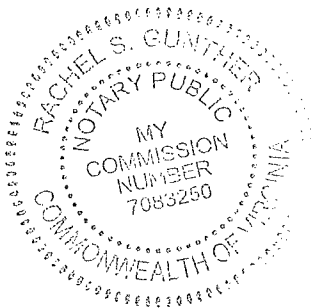


Kathy Purser Messenger

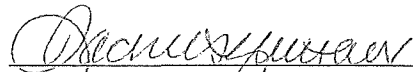
COMMONWEALTH OF VIRGINIA

COUNTY/CITY OF Virginia Beach

Sworn to (or affirmed) and subscribed before me this the 24 day of September, 2017.



(seal)



(Signature of Notary Public)

Rachel S. Gunther

(Printed Name of Notary Public)

My commission expires: 01/31/2019